

LOUISIANA REAL ESTATE APPRAISERS BOARD
Office of the Governor
State of Louisiana
Baton Rouge, Louisiana

Audited Financial Statements
As of and For the Year Ended June 30, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/23/09

LOUISIANA REAL ESTATE APPRAISERS BOARD
Office of the Governor
State of Louisiana
Baton Rouge, Louisiana

Audited Financial Statements
As of and For the Year Ended June 30, 2009

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BOBBY JINDAL
GOVERNOR

State of Louisiana
LOUISIANA REAL ESTATE APPRAISERS BOARD

MEMORANDUM

TO: Office of the Legislative Auditor
FROM: Albert Rowe, Accountant Admin. 1 (AR)
DATE: 8/24/2009
RE: Required Financial Report Submission

Please find attached the audited financial statements for the LA Real Estate Appraisers Board for the fiscal year ending 6/30/09.

If you have any questions, please call me at (225) 925-1923 ext.-245.

Roy Chenevert

CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

Louisiana Real Estate Appraisers Board
Office of the Governor
State of Louisiana
Baton Rouge, Louisiana

We have audited the accompanying basic financial statements of the Louisiana Real Estate Appraisers Board, a component unit of the State of Louisiana, as of and for the year ended June 30, 2009, as listed in the table of contents. These basic financial statements are the responsibility of the management of the Louisiana Real Estate Appraisers Board. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Real Estate Appraisers Board as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2009, on our consideration of the Louisiana Real Estate Appraisers Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, and contracts. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the Louisiana Real Estate Appraisers Board's basic financial statements taken as a whole. The accompanying supplemental information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the Louisiana Real Estate Appraisers Board. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Roy Chenevert, CPA

Baton Rouge, Louisiana
August 28, 2009

LOUISIANA REAL ESTATE APPRAISERS BOARD
Office of the Governor
State of Louisiana
Management's Discussion and Analysis

The management's discussion and analysis of the Louisiana Real Estate Appraisers Board's financial performance presents a narrative overview and analysis of the board's financial activities for the year ended June 30, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the transmittal letter and the board's financial statements.

FINANCIAL HIGHLIGHTS

The Board's assets exceeded its liabilities at the close of fiscal year 2009 by \$154,569. Net assets decreased by \$74,860 (or 32.6%).

The Board's revenue decreased by \$76,622 (or 21.7%), while the expenses increased by \$54,796 (or 18.5%).

OVERVIEW OF THE FINANCIAL STATEMENTS

The Louisiana Real Estate Appraisers Board's financial statements are comprised of the basic financial statements and the notes to the financial statements. In addition to the basic financial statements and the accompanying notes, other information in this report presents certain supplementary information required by legislative resolution. The basic financial statements are designed to provide readers with a broad overview of the board's finances in a manner similar to a private sector business.

Basic Financial Statements

The basic financial statements of the Louisiana Real Estate Appraisers Board presents financial information for the board as a whole, in a format designed to make the statements easier for the reader to understand. The statements of this section include the Statement of Net Assets, the Statement of Revenues, Expenses, and Changes in Net Assets, and the Statement of Cash Flows.

The Statement of Net Assets (page 8) presents the current and long-term portion of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the board is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Assets (page 9) presents information showing how the board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows (page 10) presents information showing how the board's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income to net cash provided by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE BOARD

Statement of Net Assets as of June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 186,040	\$ 255,323
Total assets	<u>186,040</u>	<u>255,323</u>
Current liabilities	27,534	23,763
Non-current liabilities	3,937	2,132
Total liabilities	<u>31,471</u>	<u>25,895</u>
Total net assets	<u>\$ 154,569</u>	<u>\$ 229,428</u>

The net assets are unrestricted and do not have any limitations for what these amounts may be used.

Net assets of the Board decreased by \$74,860, or 32.6%, from June 30, 2008 to June 30, 2009. Major causes of this decrease are the decrease in number of licenses issued and a decrease in interest earnings.

Statement of Revenues, Expenses, and Changes in Net Assets for the year ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Operating revenues	\$ 213,710	\$ 279,212
Operating expenses	<u>(351,198)</u>	<u>(296,402)</u>
Operating (loss)	(137,488)	(17,190)
Non-operating revenues(expenses)	62,628	73,748
Increase (decrease) in net assets	<u>\$ (74,860)</u>	<u>\$ 56,558</u>

The Board's total revenues decreased by \$76,622 or 21.7%. The total cost of all programs and services increased by \$54,796 or 18.5%.

BUDGET

The annual budget was approved by the board at the January 22, 2008 meeting.

CONTACTING THE LOUISIANA REAL ESTATE APPRAISERS BOARD'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and customers with a general overview of the Louisiana Real Estate Appraisers Board's finances and to show the board's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Executive Director, Louisiana Real Estate Appraisers Board, Post Office Box 14785, Baton Rouge, Louisiana 70898-4785.

**Louisiana Real Estate Appraisers Board
Office of the Governor
State of Louisiana
Statement of Net Assets
June 30, 2009**

Assets

Current assets

Cash (note 2)	\$ 142,882
Receivables	2,152
Due from Louisiana Real Estate Commission	<u>41,006</u>

Total assets	<u>186,040</u>
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Liabilities

Current liabilities

Accounts payable (note 6)	13,889
Current portion of long-term liability:	
Accrued compensated absences (note 7)	<u>13,645</u>
Total current liabilities	<u>27,534</u>

Noncurrent liabilities

Accrued compensated absences (note 7)	<u>3,937</u>
Total liabilities	<u>31,471</u>

Net assets

Unrestricted net assets	<u>154,569</u>
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Total net assets	<u><u>\$ 154,569</u></u>
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See accompanying notes to the financial statements.

**Louisiana Real Estate Appraisers Board
Office of the Governor
State of Louisiana
Statement of Revenues, Expenses,
and Changes In Net Assets
Year Ended June 30, 2009**

Operating revenues	
Licenses, permits, and fees	<u>\$ 213,710</u>
Operating expenses	
Personal services	191,783
Travel	28,871
Operating services	49,834
Supplies	17,631
Professional services	30,819
Other charges	32,260
Total operating expenses	<u>351,198</u>
Operating (loss)	<u>(137,488)</u>
Non-operating revenues	
Use of money and property	1,352
Other revenues	61,276
Total non-operating revenues	<u>62,628</u>
Change in net assets	(74,860)
Net assets, beginning of year	<u>229,429</u>
Net assets, end of year	<u>\$ 154,569</u>

See accompanying notes to the financial statements.

**Louisiana Real Estate Appraisers Board
Office of the Governor
State of Louisiana
Statement of Cash Flows
Year Ended June 30, 2009**

Cash flows from operating activities	
Cash received from customers	\$ 188,417
Cash paid to suppliers for goods and services	(158,061)
Cash paid to employees for services	(187,560)
Net cash (used) by operating activities	<u>(157,204)</u>
Cash flows from non-capital financing activities	
Other non-operating revenue	61,276
Net cash provided by non-capital financing activities	<u>61,276</u>
Cash flows from investing activities	
Interest earned	1,352
Net cash provided by investing activities	<u>1,352</u>
Net decrease in cash	(94,576)
Cash, beginning of year	<u>237,458</u>
Cash, end of year	<u>\$ 142,882</u>
Reconciliation of operating (loss) to net cash (used) by operating activities:	
Operating (loss)	\$(137,488)
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:	
(Increase) in receivables	(2,152)
(Increase) in due from other funds	(23,141)
Increase in accounts payable	1,355
Increase in accrued payroll	2,830
Increase in compensated absences payable	<u>1,392</u>
Net cash (used) by operating activities	<u>\$(157,204)</u>

See accompanying notes to the financial statements.

LOUISIANA REAL ESTATE APPRAISERS BOARD
Office of the Governor
State of Louisiana
Notes to the Financial Statements
June 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Louisiana Real Estate Appraisers Board is a component unit of the State of Louisiana created under the provisions of Louisiana Revised Statute 37:3391 - 3413, within the Office of the Governor, and is domiciled in East Baton Rouge Parish. The Board consists of nine members appointed by the governor. The members may receive a per diem not to exceed \$50 per meeting or day spent on business of the Board, plus travel expenses. Employees of the Louisiana Real Estate Commission perform the administrative and accounting functions of the Board.

The Board is charged with the responsibility of regulating the issuance of real estate appraiser's certifications. Operations of the Board are funded through self-generated revenues.

Basis of Presentation

The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and financial reporting standards.

Reporting Entity

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The Board is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the Board members and public service is rendered within the state's boundaries. The accompanying financial statements present only transactions of the Louisiana Real Estate Appraisers Board. Annually, the State of Louisiana issues basic financial statements, which include the activity contained in the accompanying financial statements.

Fund Accounting

All activities of the Board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

LOUISIANA REAL ESTATE APPRAISERS BOARD
Office of the Governor
State of Louisiana
Notes to the Financial Statements
June 30, 2009

Basis of Accounting

The accounting and financial reporting treatment applied to the Board is determined by its measurement focus. The transactions of the Board are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the Statement of Net Assets.

Budget Practices

Annually, the Board adopts a budget as prescribed by Revised Statute 39:1331-1342. The budget for the fiscal year ended June 30, 2009, was adopted on January 22, 2008, and is generally prepared on the modified accrual basis of accounting. Although budget amounts lapse at year end, the Board retains its unexpended net assets to fund expenditures of the succeeding year.

Cash

Cash includes demand deposits. Under state law, the Board may deposit funds in a fiscal agent bank organized under the laws of the State of Louisiana, national banks having their principal offices in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks, and in share accounts and share certificate accounts of federally or state chartered credit unions.

Compensated Absences

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits. Compensated absences at June 30, 2009 are computed in accordance with GASB Codification Section C60, and are recognized as an expense and liability in the financial statements when incurred.

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned. Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employee's hourly rate of pay at termination or transfer. Compensatory leave is computed in accordance with GASB Codification Section C60.105, and is recognized as an expense and liability in the financial statements when incurred.

Net Assets

Net assets comprise the various net earnings from operation, non-operating revenues, expenses, and contributions of capital. Net assets are classified as unrestricted net assets due to the fact that no constraints have been placed on them.

LOUISIANA REAL ESTATE APPRAISERS BOARD
Office of the Governor
State of Louisiana
Notes to the Financial Statements
June 30, 2009

NOTE 2 – CASH

At June 30, 2009, the Board has cash (book balances) totaling \$13,329 in non-interest bearing demand accounts, and \$129,553 in interest bearing demand accounts. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent banks. The fair value of the pledged securities plus the federal security must at all times equal the amount on deposit with the fiscal agents. At June 30, 2009, the Board has \$143,232 in deposits (collected bank balances) that were 100 percent insured or collateralized with securities held by the Board or its agent in the Board's name.

NOTE 3 – RETIREMENT SYSTEM

Substantially all employees of the board belong to the Louisiana State Employees Retirement System, a single employer defined benefit pension plan. The System is a statewide public employee retirement system and is available to all eligible employees. The System publishes annual financial reports that include detailed historical, financial, and actuarial information.

All full time board employees are eligible to participate in the System. Benefits vest with 10 years of service. Generally, at retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months average salary multiplied by their years of credited service, except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to participate before July 1, 2006 are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of services, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of ten years of service.

The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the Board is required to contribute at an actuarially determined rate as required by Revised Statute 11:102. The Board's contribution rate for fiscal years ended June 30, 2009, 2008, and

LOUISIANA REAL ESTATE APPRAISERS BOARD
Office of the Governor
State of Louisiana
Notes to the Financial Statements
June 30, 2009

2007 were 18.5%, 20.4%, and 19.1%, respectively, of annual covered payroll. The Board's contributions to the System for the years ending June 30, 2009, 2008, and 2007 were \$9,366, \$9,479, and \$8,015, respectively, which are the required contributions for each year.

NOTE 4 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Board has no retired employees for whom it is paying postretirement benefits.

NOTE 5 – LEASE AND RENTAL COMMITMENTS

The Board has continuing obligations for operating leases at June 30, 2009 as follows:

<u>Fiscal Year Ending</u>	<u>Office Space</u>
June 30, 2010	\$ 16,200

Lease and rental expenses for the year ended June 30, 2009 totaled \$21,435. The Board has no capital leases.

NOTE 6 – PAYABLES

At June 30, 2009, the Board had payables totaling \$13,889 as follows:

Accounts payable	\$ 5,130
Accrued wages payable	8,759
Total payables	<u>\$13,889</u>

NOTE 7 – COMPENSATED ABSENCES

The following is a summary of changes in compensated absences for the year ended June 30, 2009:

	<u>July 1, 2008</u>	<u>Additions</u>	<u>June 30, 2009</u>
Compensated Absences	\$ 16,190	\$ 1,392	\$ 17,582

The additions to compensated absences during the 2008-09 fiscal year represent the net change during the year because the additions and deductions could not readily be determined.

NOTE 8 – OTHER REVENUES

Other revenues consist of fees collected from licensees and disbursed to the Federal government to register the licensee to appraise property financed by the Federal government, and miscellaneous income from fines and sale of manuals.

**Other Report Required By
*Government Auditing Standards***

The following pages contain a report on compliance with laws and regulations and on internal control as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.

Roy Chenevert

CERTIFIED PUBLIC ACCOUNTANT

14635 S. HARRELLS FERRY ROAD, SUITE 2B
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SOCIETY OF LOUISIANA CPAs

**REPORT ON COMPLIANCE AND OTHER MATTERS AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT
OF THE BASIC FINANCIAL STATEMENTS**

Louisiana Real Estate Appraisers Board
Office of the Governor
State of Louisiana
Baton Rouge, Louisiana

We have audited the basic financial statements of the Louisiana Real Estate Appraisers Board, a component unit of the State of Louisiana, as of and for the year ended June 30, 2009, and have issued our report thereon dated August 28, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Louisiana Real Estate Appraisers Board's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of non-compliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as 2009-1.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Louisiana Real Estate Appraisers Board's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Louisiana Real Estate Appraisers Board's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Louisiana Real Estate Appraisers Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Board's financial statements that is more than inconsequential will not be prevented or detected by the Board's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Board's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board and its management and is not intended to be, and should not be, used by anyone other than these specified parties.

Roy Chenevert, CPA

Baton Rouge, Louisiana
August 28, 2009

LOUISIANA REAL ESTATE APPRAISERS BOARD
Office of the Governor
State of Louisiana
Schedule of Findings
For the Year Ended June 30, 2009

Type of auditor's report issued: Unqualified.

Compliance: Noncompliance identified.

2009-1: Adoption of Budget

Louisiana Revised Statutes (LSA R.S.) 39:1331-1342 specify the requirements of Louisiana licensing agencies to prepare and submit an annual budget. LSA R.S. 39:1335 requires the submission of the budget no later than the first day of January in each year. The Board's 2008/09 budget was submitted on January 11, 2008; however, the Board did not formally review and adopt the proposed budget until its January 22, 2008 meeting. We recommend that the Board ensure that the proposed annual budget be formally adopted by a resolution of the Board prior to its submission to the Joint Legislative Committee on the Budget.

Internal control over financial reporting: No findings were identified.

**Management's Corrective Action Plan and Response
to the *Findings* and *Recommendations***



BOBBY JINDAL
GOVERNOR

State of Louisiana
LOUISIANA REAL ESTATE APPRAISERS BOARD

August 24, 2009

Mr. Roy Chenevert, CPA
14635 S. Harrells Ferry Road, Suite 2B
Baton Rouge, LA 70816-2959

Re: Noncompliance identified

2009-1: Adoption of Budget

Dear Mr. Chenevert:

In response to the Schedule of Findings for the Year Ended June 30, 2009, the following action will be taken:

The budget was scheduled to be adopted at the December board meeting, however the December meeting was cancelled. To prevent this from occurring in the future, we will schedule the adoption at the October or November meeting.

Please advise if this action is not adequate.

Sincerely,

Julius C. Willie, Executive Director

Louisiana Real Estate Appraisers Board

LOUISIANA REAL ESTATE APPRAISERS BOARD
Office of the Governor
State of Louisiana
Summary Schedule of Prior Audit Findings

For the Year Ended June 30, 2008

There were no prior audit findings.

SUPPLEMENTAL INFORMATION SCHEDULES

PER DIEM PAID BOARD MEMBERS

The schedule of per diem paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Per diem payments are authorized by Louisiana Revised Statute 37:3394. Board members are paid \$50 per day for Board meetings and official business.

DIVISION OF ADMINISTRATION – OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY – REPORTING PACKAGE

The reporting package of the Division of Administration – Office of Statewide Reporting and Accounting Policy (OSRAP) was completed in order to provide information to OSRAP to be used in the preparation of the State of Louisiana's Comprehensive Annual Financial Report (CAFR).

**Louisiana Real Estate Appraisers Board
Office of the Governor
State of Louisiana
Schedule of Per Diem Paid Board Members
For the Year Ended June 30, 2009**

	<u>Amount</u>
Gayle A. Boudousquie	\$ -
H. Dan Derbes (term began July 25, 2008)	600
Michael A. Graham (term began September 22, 2008)	700
Roland M. Hall (term began July 25, 2008)	750
Newton J. Landry (term began July 25, 2008)	500
Heidi C. Lee	-
Rhonda McMillan (term began July 25, 2008)	-
Tommie E. McMorris, Sr. (term began July 25, 2008)	300
Leonard E. "Pete" Pauley, Jr.	-
	<hr/>
Total	<u>\$2,850</u>

LOUISIANA REAL ESTATE APPRAISERS BOARD
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2009

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

MD&A

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Schedules

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BOBBY JINDAL
GOVERNOR

State of Louisiana
LOUISIANA REAL ESTATE APPRAISERS BOARD

MEMORANDUM

TO: Office of the Legislative Auditor
FROM: Albert Rowe, Accountant Admin. 1 *(AR)*
DATE: 8/24/2009
RE: Required Financial Report Submission

Please find attached the audited financial statements for the LA Real Estate Appraisers Board for the fiscal year ending 6/30/09.

If you have any questions, please call me at (225) 925-1923 ext.-245.

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2009

LOUISIANA REAL ESTATE APPRAISERS BOARD
Post Office Box 14785
Baton Rouge, LA 70898-4785

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Physical Address:
1201 N. Third Street
Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Albert B. Rowe, Chief Financial Officer of Louisiana Real Estate Appraisers Board who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Louisiana Real Estate Appraisers Board at June 30, 2009 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 20th day of August, 2009.

Albert B. Rowe
Signature of Agency Official

Arlene C. Edwards
NOTARY PUBLIC Arlene C. Edwards

Prepared by: Albert B. Rowe

Title: Chief Financial Officer

Telephone No.: (225) 925-1923

Date: 8/20/09

Email Address: arowe@lrec.state.la.us

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009**

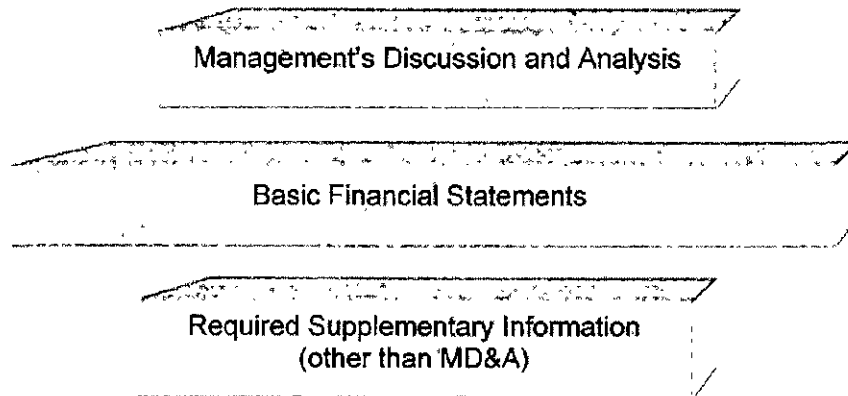
Management's Discussion and Analysis of the Louisiana Real Estate Appraisers Board's (BTA) financial performance presents a narrative overview and analysis of the Board's (BTA) financial activities for the year ended June 30, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the Board's (BTA) financial statements.

FINANCIAL HIGHLIGHTS

- ★ The Louisiana Real Estate Appraisers Board's (BTA) assets exceeded its liabilities at the close of fiscal year 2009 by \$154,569, which represents a 32.6% decrease from last fiscal year. The net assets decreased by \$74,860 (or 32.6%).
- ★ The Board's (BTA) revenue decreased \$76,622 (or 21.7%), while the expenses increased by \$54,796 (or 18.5%).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the Board (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Balance Sheet presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Board (BTA) is improving or deteriorating.

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009**

The Statement of Revenues, Expenses, and Changes in Fund Net Assets presents information showing how the Board's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows presents information showing how the Board's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets as of June 30, 2009 and 2008 (in thousands)		
	Total	
	2009	2008
Current and other assets	\$ 186	\$ 255
Capital assets	0	0
Total assets	186	255
Other liabilities	31	26
Long-term debt outstanding	0	0
Total liabilities	31	26
Net assets:		
Invested in capital assets, net of debt	0	0
Restricted	0	0
Unrestricted	155	229
Total net assets	\$ 155	\$ 229

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of the Board's (BTA) decreased by \$74,860, or 32.6%, from June 30, 2008 to June 30, 2009. The primary reason is due to the decrease in the number of licenses issued and a decrease in interest earnings.

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009**

**Statement of Revenues, Expenses, and Changes in Fund Net Assets
for the years ended June 30, 2009 and 2008
(in thousands)**

	Total	
	2009.	2008
Operating revenues	\$ 214	\$ 279
Operating expenses	351	296
Operating income(loss)	(137)	(17)
Non-operating revenues	63	74
Non-operating expenses *	0	0
Income(loss) before transfers	(74)	57
Transfers in	0	0
Transfers out	0	0
Net increase(decrease) in net assets	\$ (74)	\$ 57

* Enter expenses as a negative amount

The Board's (BTA) total revenues decreased \$76,622 or (21.7%). The total cost of all programs and services increased by \$54,796 or 18.5%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Louisiana Real Estate Appraisers Board owns no capital assets at year-end.

Debt

The Louisiana Real Estate Appraisers Board had no bonds and notes outstanding at year-end.

The Board (BTA) had no claims and judgments outstanding at year-end. Other obligations include accrued vacation pay.

CONTACTING THE LOUISIANA REAL ESTATE APPRAISERS BOARD'S (BTA) MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Board's (BTA) finances and to show the Board's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Director, Post Office Box 14785, Baton Rouge, LA 70896-4785.

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
BALANCE SHEET
AS OF JUNE 30, 2009**

Statement A

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 142,882
Investments	
Receivables (net of allowance for doubtful accounts)(Note U)	2,152
Due from other funds (Note Y)	41,006
Due from federal government	
Inventories	
Prepayments	
Notes receivable	
Other current assets	
Total current assets	186,040

NONCURRENT ASSETS:

Restricted assets (Note F):	
Cash	
Investments	
Receivables	
Investments	
Notes receivable	
Capital assets (net of depreciation)(Note D)	
Land	
Buildings and improvements	
Machinery and equipment	
Infrastructure	
Construction-in-progress	
Other noncurrent assets	
Total noncurrent assets	-
Total assets	\$ 186,040

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$ 13,889
Due to other funds (Note Y)	
Due to federal government	
Deferred revenues	
Amounts held in custody for others	
Other current liabilities	
Current portion of long-term liabilities: (Note K)	
Contracts payable	
Compensated absences payable	13,645
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Bonds payable	
Other long-term liabilities	
Total current liabilities	27,534

NONCURRENT LIABILITIES: (Note K)

Contracts payable	
Compensated absences payable	3,937
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Bonds payable	
OPEB payable	
Other long-term liabilities	
Total noncurrent liabilities	3,937
Total liabilities	31,471

NET ASSETS

Invested in capital assets, net of related debt	
Restricted for:	
Capital projects	
Debt service	
Unemployment compensation	
Other specific purposes	
Unrestricted	154,569
Total net assets	154,569
Total liabilities and net assets	\$ 186,040

The accompanying notes are an integral part of this financial statement.

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009**

Statement B

OPERATING REVENUES	
Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	213,710
Other	_____
Total operating revenues	213,710
OPERATING EXPENSES	
Cost of sales and services	_____
Administrative	351,198
Depreciation	_____
Amortization	_____
Total operating expenses	351,198
Operating income(loss)	(137,488)
NON-OPERATING REVENUES(EXPENSES)	
State appropriations	_____
Intergovernmental revenues(expenses)	_____
Taxes	_____
Use of money and property	1,352
Gain on disposal of fixed assets	_____
Loss on disposal of fixed assets	_____
Federal grants	_____
Interest expense	_____
Other revenue	61,276
Other expense	_____
Total non-operating revenues(expenses)	62,628
Income(loss) before contributions, extraordinary items, & transfers	(74,860)
Capital contributions	_____
Extraordinary item - Loss on impairment of capital assets	_____
Transfers in	_____
Transfers out	_____
Change in net assets	(74,860)
Total net assets – beginning	229,429
Total net assets – ending	\$ 154,569

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Statement C

See Appendix B for instructions

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
				Net (Expense) Revenue and Changes in Net Assets
Entity	\$ 351,198	\$ 213,710	\$	\$ (137,488)
General revenues:				
Taxes				
State appropriations				
Grants and contributions not restricted to specific programs				
Interest				1,352
Miscellaneous				61,276
Special items				
Extraordinary item - Loss on impairment of capital assets				
Transfers				
Total general revenues, special items, and transfers				62,628
Change in net assets				(74,860)
Net assets - beginning as restated				229,429
Net assets - ending				\$ 154,569

The accompanying notes are an integral part of this statement.

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009**

**Statement D
(continued)**

Cash flows from operating activities

Cash received from customers	\$ 188,417	
Cash payments to suppliers for goods and services	(158,061)	
Cash payments to employees for services	(187,560)	
Payments in lieu of taxes		
Internal activity-payments to other funds		
Claims paid to outsiders		
Other operating revenues(expenses)		
Net cash provided(used) by operating activities		(157,204)

Cash flows from non-capital financing activities

State appropriations		
Federal receipts		
Federal disbursements		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Other	61,276	
Net cash provided(used) by non-capital financing activities		61,276

Cash flows from capital and related financing activities

Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets		
Proceeds from sale of capital assets		
Capital contributions		
Other		
Net cash provided(used) by capital and related financing activities		-

Cash flows from investing activities

Purchases of investment securities		
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities	1,352	
Net cash provided(used) by investing activities		1,352

Net increase(decrease) in cash and cash equivalents (94,576)

Cash and cash equivalents at beginning of year 237,458

Cash and cash equivalents at end of year \$ 142,882

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		\$ (137,488)
Adjustments to reconcile operating income(loss) to net cash provided(used) by operating activities:		
Depreciation/amortization		
Provision for uncollectible accounts		
Other		
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	(2,152)	
(Increase)decrease in due from other funds	(23,141)	
(Increase)decrease in prepayments		
(Increase)decrease in inventories		
(Increase)decrease in other assets		
Increase(decrease) in accounts payable and accruals	4,185	
Increase(decrease) in compensated absences payable	1,392	
Increase(decrease) in due to other funds		
Increase(decrease) in deferred revenues		
Increase(decrease) in OPEB payable		
Increase(decrease) in other liabilities		
Net cash provided(used) by operating activities		\$ (157,204)

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease(s)	\$	
Contributions of fixed assets		
Purchases of equipment on account		
Asset trade-ins		
Other (specify)		
Total noncash investing, capital, and financing activities:	\$	-

The accompanying notes are an integral part of this statement.

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009**

INTRODUCTION

The Louisiana Real Estate Appraisers Board (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:3391-3413. The following is a brief description of the operations of the Board (BTA).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Board (BTA) present information only as to the transactions of the programs of the Board (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Board (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Board (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

	<u>APPROPRIATIONS</u>
Original approved budget	\$ <u>401,190</u>
Amendments:	
Increase in personal services and operating services	<u>17,649</u>
	<u> </u>
Final approved budget	\$ <u><u>418,839</u></u>

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS *(If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix C for information related to Note C.*

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Board (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are required to be held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2009, consisted of the following:

STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

	<u>Cash</u>	<u>Nonnegotiable Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Balance per agency books (Balance Sheet)	\$ 142,882	\$	\$	\$ 142,882.00
Deposits in bank accounts per bank	\$ 143,232	\$	\$	\$ 143,232.00
Bank balances of deposits exposed to custodial credit risk:				
a. Deposits not insured and uncollateralized	\$	\$	\$	\$ -
b. Deposits not insured and collateralized with securities held by the pledging institution.	\$	\$	\$	\$ -
c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agency but not in the entity's name.	\$	\$	\$	\$ -

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Balance per agency books" due to outstanding items.

The following is a breakdown by banking institution, program, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. Capital One Bank		\$ 143,232
2.		
3.		
4.		
Total		\$ 143,232

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury	\$ NONE
Petty cash	\$ NONE

2. INVESTMENTS – NOT APPLICABLE
3. DERIVATIVES –NOT APPLICABLE
4. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES – NOT APPLICABLE
5. POLICIES – NOT APPLICABLE
6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS – NOT APPLICABLE
- D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS – NOT APPLICABLE
- E. INVENTORIES – NOT APPLICABLE

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009**

F. RESTRICTED ASSETS – NOT APPLICABLE

G. LEAVE

1. COMPENSATED ABSENCES

The Board (BTA) has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2009 computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be zero. The leave payable is recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are

STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2008 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at:

http://www.lasers.state.la.us/PDFs/Publications_and_Reports/Fiscal_Documents/Comprehensive_Financial_Reports/Comprehensive%20Financial%20Reports_08.pdf

Members are required by state statute to contribute with the single largest group ("regular members") contributing 7.5% of gross salary, and the (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2009, decreased to 18.5% of annual covered payroll from the 20.4% and 19.1% required in fiscal years ended June 30, 2008 and 2007 respectively. The (BTA) contributions to the System for the years ending June 30, 2009, 2008, and 2007, were \$9,366, \$9,479, and \$8,015, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS (OPEB) – NOT APPLICABLE

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year 2008/09 amounted to \$21,435. **(Note: If lease payments extend past FY 2024, create additional columns and report these future minimum lease payments in five year increments.)** A schedule of payments for operating leases follows:

<u>Nature of lease</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015- 2019</u>	<u>FY 2020- 2024</u>
Office Space	\$ 16,200	\$	\$	\$	\$	\$	\$
Equipment							
Land							
Other							
Total	\$ 16,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2. CAPITAL LEASES – NOT APPLICABLE

3. LESSOR DIRECT FINANCING LEASES – NOT APPLICABLE

4. LESSOR – OPERATING LEASE – NOT APPLICABLE

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2009:

STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

(Balances at June 30th should include current and non-current portion of long-term liabilities.)

	Balance June 30, <u>2008</u>	<u>Year ended June 30, 2009</u>		Balance June 30, <u>2009</u>	Amounts due within <u>one year</u>
		<u>Additions</u>	<u>Reductions</u>		
Notes and bonds payable:					
Notes payable	\$	\$	\$	\$ --	\$
Bonds payable				--	
Total notes and bonds	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Other liabilities:					
Contracts payable				--	
Compensated absences payable	16,190	1,392		17,582	13,645
Capital lease obligations				--	
Claims and litigation				--	
OPEB payable				--	
Other long-term liabilities				--	
Total other liabilities	<u>16,190</u>	<u>1,392</u>	<u>--</u>	<u>17,582</u>	<u>13,645</u>
Total long-term liabilities	<u>\$ 16,190</u>	<u>\$ 1,392</u>	<u>\$ --</u>	<u>\$ 17,582</u>	<u>\$ 13,645</u>

- L. CONTINGENT LIABILITIES – NOT APPLICABLE**
- M. RELATED PARTY TRANSACTIONS – NOT APPLICABLE**
- N. ACCOUNTING CHANGES – NOT APPLICABLE**
- O. IN-KIND CONTRIBUTIONS – NOT APPLICABLE**
- P. DEFEASED ISSUES – NOT APPLICABLE**
- Q. REVENUES – PLEDGED OR SOLD (GASB 48) – NOT APPLICABLE**
- R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS) – NOT APPLICABLE**
- S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS - NOT APPLICABLE**
- T. SHORT-TERM DEBT – NOT APPLICABLE**

STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 2009, were as follows:

Fund (gen. fund, gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
	\$	\$	\$	\$ 2,152	\$ 2,152
					-
Gross receivables	\$ -	\$ -	\$ -	\$ 2,152	\$ 2,152
Less allowance for uncollectible accounts	-	-	-	-	-
Receivables, net	\$ -	\$ -	\$ -	\$ 2,152	\$ 2,152
Amounts not scheduled for collection during the subsequent year	\$	\$	\$	\$	\$ -

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2009, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
	\$ 5,130	\$ 8,759	\$	\$	\$ 13,889
					-
Total payables	\$ 5,130	\$ 8,759	\$ -	\$ -	\$ 13,889

W. SUBSEQUENT EVENTS – NOT APPLICABLE

X. SEGMENT INFORMATION – NOT APPLICABLE

Y. DUE TO/DUE FROM AND TRANSFERS

1. List by fund type the amounts **due from other funds** detailed by individual fund at fiscal year end:
 (Types of funds include general fund, statutory dedicated funds, discrete component unit funds, etc).

Type of Fund	Name of Fund	Amount
BTA	La. Real Estate Commission	\$ 41,006
Total due from other funds		\$ 41,006

2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

Type of Fund	Name of Fund	Amount
		\$
Total due to other funds		\$

**STATE OF LOUISIANA
LOUISIANA REAL ESTATE APPRAISERS BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009**

3. List by fund type **all transfers from other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers from other funds		\$ _____

4. List by fund type **all transfers to other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers to other funds		\$ _____

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS – NOT APPLICABLE

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS – NOT APPLICABLE

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46) – NOT APPLICABLE

CC. IMPAIRMENT OF CAPITAL ASSETS & INSURANCE RECOVERIES – NOT APPLICABLE

DD. EMPLOYEE TERMINATION BENEFITS

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For 2009, there were no benefits paid for voluntary or involuntary terminations.

There is no liability for accrued voluntary or involuntary termination benefits payable at June 30, 2009.

Termination benefits include payments for unused annual leave balances up to 300 hours.

EE. POLLUTION REMEDIATION OBLIGATIONS (BTA) – NOT APPLICABLE

Name	Amount
<u>Gayle A. Boudousquie</u>	\$ <u>0</u>
<u>H. Dan Derbes</u>	<u>600</u>
<u>Michael A. Graham</u>	<u>700</u>
<u>Roland M. Hall</u>	<u>750</u>
<u>Newton J. Landry</u>	<u>500</u>
<u>Heidi C. Lee</u>	<u>0</u>
<u>Rhonda McMillian</u>	<u>0</u>
<u>Tommie E. Morris</u>	<u>300</u>
<u>Leonard E. "Pete" Pauley, Jr.</u>	<u>0</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
Total	\$ <u>2,850</u>

SCHEDULE 1

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF NOTES PAYABLE
 _____, 20____
 (Fiscal close)
NOT APPLICABLE

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____

*Send copies of new amortization schedules

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF BONDS PAYABLE
 _____, 20____
 (Fiscal close)

NOT APPLICABLE

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____

*Send copies of new amortization schedules

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF CAPITAL LEASE AMORTIZATION
 For The Year Ended June 30, 20__

NOT APPLICABLE

<u>Ending:</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
2010	\$ _____	\$ _____	\$ _____	\$ _____ --
2011	_____	_____	_____	_____ --
2012	_____	_____	_____	_____ --
2013	_____	_____	_____	_____ --
2014	_____	_____	_____	_____ --
2015-2019	_____	_____	_____	_____ --
2020-2024	_____	_____	_____	_____ --
2025-2029	_____	_____	_____	_____ --
2030-2034	_____	_____	_____	_____ --
 Total	 \$ _____ --	 \$ _____ --	 \$ _____ --	 \$ _____ --

STATE OF LOUISIANA
_____(BTA)
SCHEDULE OF NOTES PAYABLE AMORTIZATION
For the Year Ended June 30, 20__

NOT APPLICABLE

Fiscal Year Ending:	Principal	Interest
2010	\$ _____	\$ _____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015-2019	_____	_____
2020-2024	_____	_____
2025-2029	_____	_____
2030-2034	_____	_____
Total	\$ _____ _____	\$ _____ _____

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF BONDS PAYABLE AMORTIZATION
 For The Year Ended June 30, 20__
NOT APPLICABLE

<u>Fiscal Year Ending:</u>	<u>Principal</u>	<u>Interest</u>
2010	\$ _____	\$ _____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
2031	_____	_____
2032	_____	_____
2033	_____	_____
2034	_____	_____
Total	\$ _____ --	\$ _____ --

STATE OF LOUISIANA

(BTA)
SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION
NON-GAAP BASIS
JUNE 30, 2009

NOT APPLICABLE	Financial Statement	Adjustments	ISIS Appropriation Report-08/14/09	Revised Budget	Variance Positive/(Negative)
Revenues:					
Intergovernmental Revenues	\$	\$	\$	\$	\$ -
Federal Funds			-		-
Sales of Commodities and Services			-		-
Other			-		-
Total appropriated revenues	-	-	-	-	-
Expenses:					
Cost of goods sold	\$	\$	\$	\$	\$ -
Personal services			-		-
Travel			-		-
Operating Services			-		-
Supplies			-		-
Professional services			-		-
Other charges			-		-
Capital outlay			-		-
Interagency transfers			-		-
Debt service			-		-
Other:					
Bad debts			-		-
Depreciation			-		-
Compensated absences			-		-
Interest expense			-		-
Other (identify)			-		-
Total appropriated expenses	-	-	-	-	-
Excess (deficiency) of revenues over expenses (budget basis)	\$ -	\$ -	\$ -	\$ -	\$ -

Note: Schedule 5 is only applicable for those entities whose budget is appropriated by the legislature.

STATE OF LOUISIANA

(BTA)

**SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION**

NON-GAAP BASIS

June 30, 2009

Excess (deficiency) of revenues over expenses (budget basis)	\$	
Reconciling items:		
Cash carryover		
Use of money and property (interest income)		
Depreciation		
Compensated absences adjustment		
Capital outlay		
Disposal of fixed assets		
Change in inventory		
Interest expense		
Bad debts expense		
Prepaid expenses		
Principal payment		
Loan Principal Repayments included in Revenue		
Loan Disbursements included in Expenses		
Accounts receivable adjustment		
Accounts payable/estimated liabilities adjustment		
Other		
Change in Net Assets	\$	-

Note: Schedule 5 is only applicable for entities whose budget is appropriated by the legislature.

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2009</u>	<u>2008</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ 276,338	\$ 352,960	\$ (76,622)	\$ (21.7%)
Expenses	351,198	296,402	54,796	18.5%
2) Capital assets	-	-	-	-
Long-term debt	-	-	-	-
Net Assets	154,569	229,429	(74,860)	(32.6%)

Explanation for change: _____

AGENCY NUMBER _____
AGENCY NAME _____

NOT APPLICABLE

[illegible]